#### "HAWAII ADMINISTRATIVE RULES

#### TITLE 16

### DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

### CHAPTER 132

### FEES TO BE PAID BY CABLE OPERATORS

| §16-132-1 | Application fee                               |
|-----------|---|
| §16-132-2 | Annual fee for existing cable operator        |
| §16-132-3 | Fee for new cable operator                    |
| §16-132-4 | Penalty for late or non-payment of annual fee |
| §16-132-5 | Charge for rules                              |

<u>Historical Note</u>: This chapter is based substantially upon Chapter III of Title VIII, the Cable Television Division, Department of Regulatory Agencies, entitled "Fees and Revenues." [Eff 1/22/71; R 5/26/75; R 7/22/77; R 5/21/79; R 6/22/81]

\$16-132-1 <u>Application fee.</u> All applications for issuance or renewal of a cable franchise or proposal therefor shall be accompanied by a fee of \$1,000. [Eff 6/22/81; am and comp 12/14/87; am and comp 7/28/88; comp ] (Auth: HRS \$440G-12) (Imp: HRS \$440G-6)

- §16-132-2 [Annual fee for existing cable operator.] <u>Annual fee from existing cable operator.</u> (a) Except as <u>otherwise</u> provided in subsection (c), the annual fee for each cable operator shall be one per cent of the income received from subscribers for cable services rendered during the preceding calendar year.
- (b) The annual fee shall be paid [in two equal parts. The first payment shall be due and payable on the first day of June preceding the State's fiscal year in which the fee is assessed. The second payment shall be due and payable on the subsequent first day of December.
- (c) Where the portion of the annual fee paid or to be paid pursuant to subsection (b) is estimated to be insufficient to cover the costs of administering chapter 440G, HRS, for the next six-month period, each cable operator shall be assessed an additional amount as follows:

- (1) The director shall issue a written "Notice of Special Assessment" to each cable operator setting forth the following:
  - (A) The basis for the special annual fee assessed; and
  - (B) The amount of the special annual fee assessed;
- (2) The amount of the special annual fee assessed to each cable operator shall be determined by prorating the estimated amount of monies needed based on the ratio of income received by each cable operator from subscribers for cable services for the preceding calendar year to the total amount of income received by all cable operators from subscribers for cable services for the preceding calendar year.]by the cable operator to the department on the last day of January of each year
- (c) The director may increase or decrease the amount of the annual fee by decision and order if the director determines that the existing annual fee is insufficient or exceeds the amount necessary, as the case may be, to cover the costs of administering chapter 440G, HRS.
- (d) For the purposes of this section, "income received from subscribers for cable services" means revenues derived from the supplying of regular subscriber service and includes installation fees, disconnect and reconnect fees and fees for regular cable benefits. It does not include per-program or per-channel charges, leased channel revenues, advertising revenues and other income derived from the system. [Eff 6/22/81; am and comp 12/14/87; am and comp 7/28/88; am and comp ] (Auth: HRS §440G-12) (Imp: HRS §440G-15)

§16-132-3 <u>Fee for new cable operator.</u> For its first year of operation, a cable operator shall be assessed a fee of \$5,000, which fee shall be due and payable upon granting of the franchise by the director. [Eff 6/22/81; am and comp 12/14/87; comp 7/28/88; comp ] (Auth: HRS §440G-12) (Imp: HRS §440G-15)

§16-132-4 Penalty for late or non-payment of annual fee. The penalty shall be ten per cent of the unpaid fee, but not less than \$50. Fees and penalties not paid within fifteen days of the due date shall result in an interest payment of ten per cent per annum compounded every thirty days on the unpaid balance. Failure to pay the fee, penalty, and interest shall result in legal action to enforce payment or revocation of the franchise, or both. [Eff 6/22/81; am and comp 12/14/87; comp 7/28/88; comp ] (Auth: HRS §440G-12) (Imp: HRS §440G-12)

\$16-132-5 Charge for rules. The charge for copies of the Hawaii cable communications rules shall be \$2.50." [Eff 6/22/81; am and comp 12/14/87; am and comp 7/28/88; comp ] (Auth: HRS \$440G-12) (Imp: HRS \$440G-12)

- 2. Material, except source notes, to be repealed is bracketed. New material is underscored.
- 3. Additions to update source notes to reflect these amendments and compilation are not underscored.
- 4. These amendments to and compilation of chapter 16-132, Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules drafted in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on and filed with the Office of the Lieutenant Governor.

MARK E. RECKTENWALD, Director Department of Commerce and Consumer Affairs

APPROVED AS TO FORM:

Deputy Attorney General

## DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

## Amendments to Chapter 16-132 Hawaii Administrative Rules

| Chapter 16-132, Hawaii Administrative Rules, entitled "Fees to be Paid by Cable Operator" is amended to read as follows: |  |  |
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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

Amendments to chapter 16-132, Hawaii Administrative Rules, on the Summary page dated June 10, 1988, was adopted on June 10, 1988, following a public hearing held on May 24, 1988, after public notices were given in the Honolulu Star-Bulletin, Maui News, Hawaii Tribune Herald, and the Garden Island on April 25, 1988, and May 2, 1988.

These amendments shall take effect ten days after filing with the Office of the Lieutenant Governor.

|                      | /s/ Robert A. Alm                        |
|----------------------|--|
|                      | ROBERT A. ALM                            |
|                      | Director of Commerce and Consumer Affair |
|                      |  |
| APPROVED AS TO FORM: | Date_7/12/88_                            |
|                      |  |
| /s/ Seth M. Reis     | SS                                       |
| Deputy Attorney Ge   | eneral                                   |
|                      |  |
| APPROVED:            | Date <u>7/15/88</u>                      |
| /s/ John Waihe       |  |
| JOHN WAIHE           |  |
| Governor             | L  |
| State of Hawai       | i  |
| July 18, 1988        |  |
| Filed                |  |

Amendment and Compilation of Chapter 16-132 Hawaii Administrative Rules

# June 10, 1988

# Summary

- 1. §§16-132-1 and 16-132-2 are amended.
- 2. §16-132-5 is amended.
- 3. Chapter 132 is compiled.